LOCAL—NATIONAL—FOREIGN
Associated Press and (P) Wirephotos, North
American Newspaper Alliance, Chicago Daily News Foreign Service and The Star's

(P) Means Associated Press.

Staff Writers, Reporters and Photographers.

THREE CENTS.

Massed Stukas Renew Attacks R. A. F. Bombers On Balloon-Guarded Convoys; Blast Italians 'Terror Bombs' Rain on Town In Somaliland

Widespread Raids Over Britain Meet Stiff Resistance

By the Associated Press. LONDON, Aug. 10.—German

Stukas, power-diving at 400 miles an hour, unloaded explosives in mass attacks today on British ships protected by balloon barrages and By the Associated Press. rained whistling bombs on coastal Britain in heavy "terror" raids. The Germans attacking the balloon-protected ships off the south-

east coast were reported to have anese control to meet "the actual been driven off without hitting situation" created by British troop their targets by anti-aircraft fire. (The Nazi high command claimed destruction of 12 of the big balloons, anchored to the ships by long cables, in

Thursday's heavy air fighting over the English Channel.) -Aiming one of the biggest assaults of the war that the northwest coast has experienced, the Nazis dropped a dozen whistling bombs, whose ear-splitting screeching frightens as well as does dam-

Heavy explosive bombs showered on another sector in that area killed four persons, injured two and damaged residential property but missed military objectives.

Two men were killed and a number injured in a raid on a northeast

Heavy Anti-Aircraft Fire. In a second raid on shipping off the southeast coast, German bom-

bers ran into heavy anti-aircraft fire, hurriedly deposited three bombs which missed their mark and scurried back toward France. Raids last night and early today

caused an unannounced number of easualties as the Nazi planes unloaded their bombs on scattered objectives. Four persons were killed in one northwest coastal town alone. A single German plane bombed and machine-gunned a southeast town, causing several casualties. The plane dropped 12 bombs before it fled with British fighters in pur-

Fifteen to twenty houses were damaged by bombs in another town

tacks were "spread over many districts" and acknowledged there had Ambassador told the Associated been "some" fatalities. Areas in Wales and in Northwest Northeast, Southwest and Southeast

England were visited by the raiders. The communique mentioned the destruction of a number of houses, but gave no other hint as to the extent

At one town in Southeast England a lone Nazi plane dropped four large bombs and then fled heavy antiaircraft fire.

Another town in the southeast occupation. was rocked by tremendous explosions as bombs fell in two places ashore and others off the coast. At least seven bombs were dropped in the sea off a northeast coast town and others fell on a nearby

golf course. There were no casualties and broken windows were the only damage. Several Houses Wrecked. Several houses were wrecked when

a bomb fell in a garden in still another northeastern town, blasting a crater 20 feet deep. An air raid shelter only five yards away remained intact and the occupants were unhurt. The text of the Air Ministry's

communique: "During last night enemy aircraft made bombing attacks which were spread over many districts. In a town in the northwest of England bombs destroyed several houses and caused casualties, some of which

"At a number of places in the southeast and at a few places in the northeast, the southwest and in Wales bombs caused damage to houses. The casualties in these areas were few but included one

Munitions Plant Bombed, Nazi Command Reports

BERLIN, Aug. 10 (AP).-The great British munitions works at Faversham, the Pobjoy aircraft works at Rochester and government shipyards at Sheerness and Chatham on the Thames were bombed, the high command announced today, in a resumption of large scale raids on

England. Great fires and explosions resulted from attacks yesterday at Haversham and at Rochester, in Kent, the high command said, while "a great number of bombs of all calibers" hit the two shipyards in Kent where Britain repairs damage

done to her ships. Great damage also was done to the docks of England's big East Coast seaport at Newcastle, the high command added, and a runway of the airport at Bristol, in the southeast, was reported destroyed.

The sinking by submarine of another ship of 8,700 tons was claimed. Totaling their own victories in defense against air attacks, the Germans said 1,500 "enemy" planes had been brought down by anti-aircraft fire since the start of the war. Two British planes were shot down yes-

Richmond Man Slays Estranged Wife and Self Chicago Factory Fire

RICHMOND, Va., Aug. 10.-Police Sergt. Clifton Nash said today Walter Harris, about 30, shot and killed his wife, Mrs. Lucille Harris, 27, and then shot himself to death fire swept through a West Side cabishortly after midnight in the hall net factory, causing damage estiof an apartment building on North | mated at \$50,000.

Sheppard street. Sergt. Nash said City Coroner J. H. Scherer returned a verdict of jorek, about 40, between a stairway

The couple, both of whom were slain with a shotgun, had been the fire started when a short-cir- Washington and Vicinity Sergt. Nash reported.

Japanese Army Asks Control As British Quit Shanghai Area

Tokio Extends Blockade, Masses More Troops Near Indo-China

SHANGHAI, Aug. 10.-A demand accepted Japan's demands for withthat the British defense sector in Shanghai be transferred to Jap-

withdrawals was voiced today by the newspaper Tairuku Shimpo, regarded as the mouthpiece of the Japanese Army in China. Declaring that Britain had been forced to make "sweeping changes

in her Far Eastern policy," tne "No matter on what grounds the

British withdrawal is based, there

drawal of armed forces of European belligerents from Japanese-occupied areas in China.' Japanese naval authorities, mean-

is no doubt that the British have

while, proclaimed extension of their blockade of the China coast by specifying a number of areas on the Fukien coast which would be closed to navigation August 15.

Strained Japanese-British relations appeared eased by the British withdrawal, but Chinese quarters found fresh cause for anxiety in reports of threatening Japanese troop (See SHANGHAI, Page A-6.)

sanguine about occupied lands, over

expected to be too greatly con-

The papers said an adequate food supply for Germany is assured, and

that even the Balkan crops, "while

not record breakers," are more than

Statistics released by the Ru-

manan Institute of Business Re-

search said the Russian grab of

Bessarabia and Northern Bucovina

supplied Germany's import needs.

frankly were not optimistic about

the occupied countries, particularly

the Low Countries and France,

which they said were being pinched

First Obligation at Home.

Germany's first obligation is to-

humanitarian motives to some de-

now face want because they have

own farms.

"ruined," neglected or deserted their

(This stand was emphasized

in a German broadcast ad-

dressed to the United States and

heard today by C. B. S. in New

York, in which the Nazi propa-

gandist known as "Okay" sug-

gested Britain could avert "a

serious food shortage" without

aiding Germany by relaxing her

(After referring to a recent

British statement that sending

food to France "would relieve

Hitler of the necessity of sup-

plying like relief to the peoples

of the countries he has occu-

(See FOOD, Page A-7.)

Kaiser's Grandson Interned

LONDON, Aug. 10 (P).-Prince

Frederick of Prussia, 29, grandson of

former Kaiser Wilhelm and a lead-

ing socialite in London before war

Swiss Sign Nazi Trade Pact

BERN, Switzerland, Aug. 10 (A) .-

Switzerland with coal for the win-

Garden Pg. A-12 Sports_ A-14-15

Japanese may occupy British Shang-

Nazi food prospects called good ex-cept in occupied areas. Page A-1

Massed Nazi Stukas attack Channel

R. A. F. bombers blast Italians in

Farley appointed chairman of Coca-

Cudahy, called home, flies to Lisbon

Conscription supporters oppose com-

Louisiana flood forces evacuation of

Cola Export Corp.

House leaders to speed

to catch Clipper.

its legislation.

10,000.

since the collapse of France.

("Now, who in the world ever

pied," he then said:

Isle of Man.

hai area.

blockade of the Continent.

sufficient to feed the southeast.

Cudahy, Called Home, Press Says Germans Can't Worry Over **Food for Conquered** Catch Clipper

London Press Headlines Takes Rosy View of Winter Prospects Except U. S. Reprimand for **Famine Statement** In Occupied Areas

By the Associated Press

LONDON, Aug. 10.-John Cudahy United States Ambassador to Belgium who created a sensation in London by advocating that the United States feed Nazi-occupied countries, left by plane for Lisbon today en route to the United States, to which he had been called home to report to President Roosevelt. London newspapers, which have been attacking Mr. Cudahy bitterly for the remarks he made in a recent interview, headlined the news of his recall and reprimand yesterday by the State Department. The Daily Mail today quoted Mr.

A terse communique said the at-Cudahy as saying "I do not retract included 35 per cent of the Ru-Press last night that "I have no per cent of corn-enough to have The Daily Mail said Mr. Cudahy

asserted "undue publicity" had been

given his remarks. He had said Belgium and other German-occupied territories now blockaded by the British Navy would face famine this winter if they did by the British blockade. not receive food from America. He also commented favorably on the conduct of the German Army of

Friend See End of Career.

The Daily Mail quoted a friend of Mr. Cudahy as saying "Mr. Cudahy knows he is to be censured and that may mean the end of his "In these circumstances, it

likely that instead of remaining in the United States, he would come back to Europe to help with relief work, in which he is deeply interested. The Daily Mail said Mr. Cudahy

himself said: "I have done my job and I return to the United States with reports of great efforts being made

by Great Britain that should inspire my countrymen. "I leave confident that this little country of yours will defend itself to the last man and woman and

will never be conquered. "The President knows that I am on my way back to the United States. I received certain instructions from him when I left and I

am carrying them out.' Mr. Cudahy left early this morning by flying boat from a seadrome "somewhere in England" and expected to make quick connections at Lisbon for a trans-Atlantic

Packed Bags Immediately.

An announcement at the United States Embassy, where he gave the much-discussed interview, said his departure was in line with his original plans when he came to London on "personal business." The London papers said, how-

ever, that Mr. Cudahy received an unexpected cable from President Roosevelt yesterday afternoon at Ambassador Joseph Kennedy's country home ordering him to return immediately to the United States.

In Washington the State Department yesterday reprimanded Mr. Cudahy publicly and announced

he was being called home to report. American circles in London generally had understood Mr. Cudahy planned to remain in England until Church News, the middle of next week, then go to Ireland, where he formerly was Comics .. B-12-13 Radio United States Minister, and take a Editorials... A-8 Serial Story. A-6 Answers to Questions. direct British trans-Atlantic plane Finance ... A-13 Society

from Foynes. He is understood to have packed his bags immediately upon receipt Foreign of the cable, spent the night at the Kennedy home and motored early this morning to the airport.

Two Perish in \$50,000

fumes.

CHICAGO, Ill., Aug. 10.-Two workmen burned to death and 85 others fled to safety yesterday when

Firemen found the bodies of Henry Nacky, 55, and Anthony Baand a fire escape, Edward Getz, an employe, said

CAIRO, Egypt, Aug. 10.—Italian motorized infantry and guns con-

The British communique said, "The Italian advance is continuing toward our main positions."

the Italians had been bombed as they threaded their way through Karrin Pass in the hot, barren slopes just east of Hargeisa, which the Italians occupied early this week. toward Berbera, principal British port overlooking the Gulf of Aden. Aden, 150 miles across the gulf was bombed fiercely this morning by Italian raiders.

one soldier and three natives were killed and 17 persons

Tobruk Harbor Raided.

at Italian objectives yesterday, a Royal Air Force communique said bomb hits set afire an Italian vessel and damaged other shipping in the harbor at Tobruk, Libya, where Italy supplies her forces.

BERLIN, Aug. 10.—The Nazi press took a rosy view today of Germany's winter food prospects, but was less which it said Germany could not be toward the coast.

Massaua Bombed.

manian wheat crop, 38 per cent of barley, 53 per cent of rye and 23 that Red Sea port. While emphasizing Germany's Still another ettack was made on food prospects, the German papers

the Italian airdrome at Neghelli, port here after a vacation and said said to have been destroyed.

the British reported countless bombs his appointment climaxes discussion rained on Italian anti-aircrafe positions and troop columns in the Kar- period." ward Germans, the press asserted. While Germany will be actuated by gree, she cannot be expected to concern herself too much over populations which fought Germany and

miles south of Berbera

Egypt Checks Defenses.

Ready for active alignment with

While Italian troops in British Somaliland were reported moving on toward Berbera, this was regarded as a "smoke screen" to draw attention from the main attack massing

Desert Section Quiet. Latest British reports from the

broke out last September, has been Egyptian-Libyan desert said, "All interned under the aliens order, it was disclosed today. It is underareas very quiet." Marshal Rodolfo Graziani, Italy's North African stood that he has been sent to the commander in chief, apparently was concentrating his efforts on perfecting a supply system for his army. The problem facing the Italians was said to be that when Graziani Signing of a German-Swiss trade

which Germany agreed to supply Military observers pointed out that water, food, gasoline and munitions ter-this country's biggest worry would have to be kept on the move (See CAIRO, Page A-6.)

Legion Auxiliary told. Page A-2

Low-hit games feature day in big

Murphy and Smith favored to win

D. C. net doubles title. Page A-15

Helen Jacobs out to even net series

Page

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Page A-14

Conn is fav-

Summary of Today's Star

B-14 Obituary ___ A-6 Crash hurls couple 30 feet, killing

B-12 Editorial and Comment

This and That.

David Lawrence

G. Gould Lincoln.

Alsop and Kintner.

Frederick Palmer.

Will P. Kennedy.

league baseball.

ored in odds.

Miscellany

Page A-1 Vital Statistics.

Page A-3 Bedtime Story.

Pastor's pilot ired as

with Alice Marble.

Nature's Children.

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Sports

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Lost, Found. B-7

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Real Estate.

WASHINGTON, D. C., SATURDAY, AUGUST 10, 1940-THIRTY PAGES.

Column Advancing Toward Britain's 'Main Positions'

tinued their advance toward Brit-ain's "main positions" in the hills south of Berbera in Somaliland today, the British admitted, despite heavy air attacks on Italian supply ports and military concentrations. At the same time Egypt hastened steps to prepare for a possible coordinated Italian drive toward the

previous announcement said

(Reports direct from Aden said

In one of the biggest raids aimed

British bombers, directed to their objectives by reconnoitering French pilots, also roared through heavy anti-aircraft fire to shower bombs on Italian positions near Hargeisa, British Somaliland, where the Italians were reported making progress through the mountain passes

(The Italians reported today their troops had driven to a point beyond Aduiens, east of Hargeisa and in the Karrin Pass area. The Italians said their bombers raided Berbera itself, damaging a ship in the harbor and setting two grounded British

Another formation of placements and several buildings in

Abyssinia, where two Italian Caproni bombers on the ground were

rin Pass area, just east of Hargeisa. The British said all their planes Karrin Pass is midway between Hargeisa and Oadweina, towns about 80 miles apart, which the

Italians captured last week in their drive toward Berbera, the capital on the Gulf of Aden. The pass is 70 Egypt warned her people against

the mushrooming war of nerves already being fought and simultaneously checked all defenses against the major military push the Italians are expected to launch from

Britain's outnumbered African forces the moment she is attacked, Egypt's regular army was ready to swing into action; anti-afreraft and coastal batteries were fully manned and special police stood on guard against Italian attempts to land parachute troops Nazi-style.

moves, "all his Libyan resources agreement was announced today, in must move with him."

I DON'T KNOW OR WAS PUSHED!

Another Version of "Dropping the Pilot."

Farley Named Head Of Coca-Cola Firm's **Export Corporation**

New Post Won't Interfere With Impending Deal for Yankees, Friends Say

WILMINGTON, Del., Aug. 10 .-James A. Farley, retiring Postmaster General and chairman of the Democratic National Committee, today was appointed chairman of the Coca-Cola Export Corp.
Robert W. Woodruff, chairman of

the Coca-Cola company's board of directors, announced Mr. Farley had accepted a position "in charge of all export business and particularly of the expansion of our business in foreign countries." Mr. Farley's resignation as Demo-

and reported direct hits on gun em- August 17 and he leaves the cabinet August 31. Mr. Woodruff indicated the retir-ing Postmaster General would re-

his headquarters would be in Wilmington. A company spokesman said Mr In the attacks on Italian troops Farley has been "acquainted for driving across British Somaliland, years" with Mr. Woodruff and that

> between the two "over a considerable It is up to Mr. Farley, the spokes man added, to say whether he will disclose his salary and when he will start his new job.

Reports have been current that

the retiring Democratic leader, who bowed out of politics after his party's recent national convention, would head a syndicate to purchase the New York Yankees. A Coca-Cola Co. official said he

did not believe Mr. Farley's position as head foreign salesman for the soft drink would interfere with any plans he might have about the baseball team. He added, however, that Mr. Farley must make this decision himself. In New York a close friend of Mr.

Farley said the new position in no way would interfere with negotiations to buy the baseball property. He added, in fact, that the transaction probably would be completed

"He has a substantial agreement with the Yankees and there are only a few matters to be ironed out," the friend said. "There is nothing serious in the way of completing the purchase.' Mr. Farley and a group of uni-

dentified associates have been reported to have offered approximately \$4,000,000 for the club.

Not Interested in Yankees. A. A. Acklin, president of the

Coca-Cola company, said in Atlanta the corporation has no interest in Mr. Farley's reported plans to acquire control of the Yankees.

Announcement of Mr. Farley's new connection with Coca-Cola Export Corp. brought speculation in sport circles that this connection might lead to possible investment by Coca-Cola or some of its larger stockholders in the baseball venture. The company now owns the Atlanta club of the Southern Association. 'We have no interest whatsoever in Mr. Farley's baseball plans." Mr. Acklin said. "His connection is with

the Coca-Cola Export Corp., and he is to be purely in charge of export operations." W. L. (Chip) Robert, secretary of the Democratic National Committee and a close friend of Mr. Farley, is a Coca-Cola stockholder.

Mr. Farley has refused commen on all questions concerning the deal Friends said his Coca-Cola position would be his only business connec-(See FARLEY, Page A-6.)

Page A-9 2,900 U. S. Warplanes Delivered to Britain

NEW YORK, Aug. 10 .- The Brit ish Purchasing Commission revealed yesterday that 2,900 United States airplanes already had been delivered to Great Britain, and estimated at 1,000 to 1 Germany's chances of tarving the British Isles by a block-

The commission estimated at \$2,

already placed by Great Britain in W. Woodcock and making for the Page B-12 the United States. It said the figure 29th Division headquarters. Letter-Out.

Page B-12 might even exceed that amount with cross-Word Puzzle.

Marines to Marines to Page A-2 Uncle Ray's Corner.

Page B-12 might even exceed that amount with middle-aged and overall-clad, heard the battle from his farmhouse and verdant green pastures along the Page B-13 amounting to nearly \$1,200,000,000.

Meanwhile, Farmer Lockwood, middle-aged and overall-clad, heard the battle from his farmhouse and verdant green pastures along the trade pact, which collapsed last December.

Can't Boast; Wife Scored Longer Ace By the Associated Press.

Hole-in-One Golfer

SCOTTS BLUFF, Nebr., Aug. 10.—Everett Stone, Scotts Bluff High School principal, scored a hole-in-one on a 135-yard hole at Scotts Bluff Country

And why isn't he bragging about it around the house? Well, Mrs. Stone scored an ace earlier in the season on the same course, but on a

U. S. Is Establishing **Listening Posts at** Dakar and Miguelon

Consulates at Airline Hopping Off Point and on Island to Be Reopened

By the Associated Press. The State Department disclosed today that it was establishing diplomatic listening posts at Dakar French West Africa, nearest point in Africa to South America, and at St. Pierre-Miguelon, French insular possession off the coast of Canada. An announcement of changes ordered recently in the American Foreign Service revealed that the American consulate at Dakar, closed

would be reopened shortly. Dakar is the hopping off place for France's trans-Atlantic air service to South America when that service, now dormant, is operating. The State Department disclosed also that the consulate at St. Pierre-Miquelon, which is south of Newfoundland, would also be reopened. This consulate was closed in January this year for lack of business Back in prohibition days it had watched ship movements to detect

in 1931 as part of an economy drive,

rum runners. Regarding the Dakar consulate officials said the State Department had been greatly handicapped on the west coast of Africa since its closing. There was no office within a thousand miles of Dakar, they said, and "the time seems to have arrived when we should have repre-

The Dakar consulate will be reopened as soon as Thomas C. Wasson of Newark, now consul at Vigo, Spain, can reach there. The St. Pierre-Miquelon consulate will be reopened as soon as Mourice

sentation there.'

is now vice consul. The State Department disclosed also that the staff of the Embassy in Berlin was being increased in response to a request from Alexander C. Kirk, charge d'affaires, for additional help. Leland B. Morris of Philadelphia, who has been consul general at Vienna, has been designated counsellor of the Embassy

and consul general at Berlin.

Administration Cool To Compromise Talk On Conscription

Maloney Claims Support For Plan to Seek **Volunteers First**

Administration leaders turned a cold shoulder today to talk of a compromise in the Senate fight over Senator Barkley of Kentucky, the Democratic floor leader, expressed the opinion to reporters that conscription and voluntary enlistments could not be linked successfully in bill within a week, in order to

such a system as that offered by

By the Associated Press.

Burke-Wadsworth bill. Senator Barkley also said he and Means Committee said major thought opponents of the conscription legislation would muster their maximum strength on compromise amendments. He predicted that if such compromise attempts failed, as if there are enough witnesses to fewer than 25 Senators would vote

Referendum Now Considered. Opposition Senators, meanwhile were reported to be discussing the possibility of a referendum vote on conscription at the November election. Some of these Senators said they were confident that, given a chance to express its opinion at the polls, the country would show a majority sentiment against the Senator Maloney would require

against final passage of the bill.

the registration of all men from 21 through 30, as would the Burke-Wadsworth bill, but he would delay the draft until January 1 while voluntary enlistments were sought. If these enlistments did not fill the Army's quota, conscription would be ordered Army enlistments totaled 23,442 in June and 31,958 in July, a peace-

time record. The Army's strength

was 270,183 on July 31, and will be

brought to 322,922 as quickly as pos-Maloney Claims Support.

Senator Maloney said his proposal appeared to be attracting increasing support, despite administration opposition and the reluctance of conscription opponents to agree that the draft might be needed while the Nation was at peace.

One of the latter group, Senator Nye, Republican, of North Dakota said he was willing to have men from 21 through 30 registered in order to have the draft machinery ready if war came, but could see Pasquet of New York can arrive no reason for abandoning the trafrom Dairen, Manchuria, where he ditional American peacetime policy of voluntary enlistments.

predicted that supporters would find it necessary to compromise the Burke-Wadsworth bill before they could obtain Senate ap-

This view was echoed in private by one administration strategist who said he had no doubt that some sort of conscription bill would be (See CONSCRIPTION, Page A-7.)

Young Bull Routs Soldiers Of 2 Maryland Guard Units

RENSSELAER FALLS, N. Y., Aug. pany A of the 104th, described by an A spirited 3-year-old pedigreed on the camps of the 104th Medical

Maryland reservation and went on a wild rampage.

Absent without leave from the

into the main poles and knocking them down in the 104th Area. Bootjacks, canteens and clubs were hurled by the Maryland medicos as the bull charged, puffed and snorted down the regiment's main street. Somewhat taken aback by this opposition, he hit the road for the 5th Regiment, scattering soldiers and officers. He then started uphill, dashing through the 58th Page A-9 000,000,000 the value of war orders Brigade area of Brig. Gen. Amos W

officer as "capable cow hands" from Holstein bull staged a frontal attack Towson, Md., Farmer Lockwood slipped a rope through the ring in Regiment and the 5th Infantry, the bull's nose and dragged him into Maryland National Guard, this Farmer William Henry's nearpy This, however, is not all the story

Assisted by enlisted men of Com-

farm of Sumner Lockwood, local Newspaper correspondents heard dairyman, the bull charged into the about the bull's capers and went to the barn for a press conference, led by Capt. Richard C. O'Connell, Vice Khaki tents must have made the Mayor of Baltimore and adjutant bull see red, for he charged into of the medical regiment. The bull snorted and kicked and tugged at the two ropes. Capt.

O'Connell and the press retreated. Finally the bull was pulled out of the barn and down the hill to pose for a photographer. The correspondents themselves hid behind nearby automobile because he didn't like to have his picture taken. When last seen, the bull and his captors were making slow progress down hill along the 116th Virginia Infantry camp with the Vice Mayor of Baltimore right behind. The bull

Profit Tax Hit As 'Bait' to Aid **Munitions Men**

Clark Declares Levy **Hides Amortization** Plan for Industry

Senator Clark, Democrat, of Missouri charged at a tax hearing today that a pending excess profits levy was "sugar coating" for a plan to permit "munitions plants" to deduct defense expansion costs from their taxable earnings.

The expansion amortization plan and a tax of 25 to 40 per cent on excess profits have been combined into a simple piece of legislation on which Senate and House committees started holding hearings yes-Senator Clark made his comment after John L. Sullivan, Assistant

Treasury Secretary, had told the joint committee that the tax proposed would yield a net increase of \$190,000,000 in taxes the Government collects on 1940 corporation

Direct Yield of \$225,000,000.

The Treasury, Mr. Sullivan explained, figured the direct yield would be \$225,000,000, of which \$35,-000,000 would be offset by a loss on individual income taxes due to smaller dividends to stockholders. For the years after 1940, Mr. Sullivan said, the Treasury estimated the excess profits tax net yield would be \$400,000,000 to \$480,000,000.

"When the President proposes spending four or five billion dollars every time he gets back from a week end," Senator Clark said to Mr. Sullivan, "\$190,000,000 is a drop in the bucket, isn't it?" Mr. Sullivan said it was "small item" in the total budget picture.

Senator Clark then declared that

the tax was "sugar-coating to get

the public to swallow the amortiza-

tion plan for munitions plants." Mr. Sullivan replied that he did not believe that was true. The excess profits tax was under consideration before the amortization pro-House tax leaders decided, meanwhile, to try to pass the new tax

eliminate the bottlenecks which Senator Maloney, Democrat, of manufacturers say have been im-Connecticut as a substitute for the peding defense production. Chairman Dougton of the Ways opposition to the three-point revenue

program had failed to develop. "We were ready to hold hearings day and night, but it doesn't look do that," he said.

Amortization Plan Urged. The start of the hearings yester-

day brought pleas by leaders of the defense program for the two other features of the bill-plans for manufacturers to amortize quickly the cost of plant expansion and repeal of the 7 and 8 per cent profit limitations on shipbuilding under the Vinson-Trammell Act.

Secretary of War Stimson and other witnesses said that uncertainty over taxes, profits and amortization was causing some companies to go slowly in expanding for defenses purposes. William S. Knudsen, Defense

Commission member, said the amortization and tax features should be combined in a single bill Republicans had advanced the suggestion that it might be well to tackle amortization immediately so that it would not be delayed by possible disagreements over profits tax.

Contract Distribution Assailed.

Senator Clark expressed concern

that less than 1 per cent of the new defense contracts-for both materials and construction-had been allocated to the 22 States between the big mountain ranges. Mr. Knudsen replied that the vast program was just under way and that as progress was made

there would be an inevitable expansion throughout the country Senator Clark said later that if the Defense Commission did not act quickly he would attempt to make a Nation-wide allocation of funds when the tax bill reaches the Senate. He arranged a conference for Monday between Mr. Knudsen and Senators from the

Crewless Greek Vessel Towed Into Spanish Port

By the Associated Press. GIJON, Spain, Aug. 10.-A crewless ship, heavily laden with grain, was towed today into port at Aviles by fishing vessels which found her drifting 40 miles from shore in the Bay of Biscay.

Advices from Aviles said the ship

had been identified as the 8,000-ton

Greek freighter Basilio Deustonis. (Lloyd's Register does not list a ship by that name.)

Mother, Wading in Pond, Finds Body of Son

BALTIMORE, Aug. 10.-Mrs. Lawrence Sinclair, wading in Dark Head

Creek, stumbled on the body of a She called for help. A friend Herman W. Grovernor, raised the body. It was Mrs. Sinclair's son David, 3, whom the mother had thought was playing in a nearby

Argentina Asks Talks With U. S. on Trade

By the Associated Press. BUENOS AIRES, Aug. 10 .- Foreign Office officials said today conversations are under way to bring United States trade experts to Argentina to discuss a greater ex-